

COMMITTEE REPORT

MADAM PRESIDENT:

The Senate Committee on Tax and Fiscal Policy, to which was referred Senate Bill No. 21, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1 Delete the title and insert the following:
- 2 A BILL FOR AN ACT to amend the Indiana Code concerning
- 3 taxation.
- 4 Page 1, between the enacting clause and line 1, begin a new
- 5 paragraph and insert:
- 6 "SECTION 1. IC 6-1.1-22.5-12, AS AMENDED BY P.L.219-2007,
- 7 SECTION 67, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 8 UPON PASSAGE]: Sec. 12. (a) Except as provided by subsection (c),
- 9 each reconciling statement must indicate:
- 10 (1) the actual property tax liability under this article on the
- 11 assessment determined for the assessment date for the property
- 12 for which the reconciling statement is issued;
- 13 (2) the total amount paid under the provisional statement for the
- 14 property for which the reconciling statement is issued;
- 15 (3) if the amount under subdivision (1) exceeds the amount under
- 16 subdivision (2), that the excess is payable by the taxpayer:
- 17 (A) as a final reconciliation of the tax liability; and
- 18 (B) not later than:
- 19 (i) thirty (30) days after the date of the reconciling
- 20 statement; ~~or~~

- 1 (ii) if the county treasurer requests in writing that the
- 2 commissioner designate a later date, the date designated by
- 3 the commissioner; **or**
- 4 **(iii) the date specified in an ordinance adopted under**
- 5 **section 18.5 of this chapter; and**
- 6 (4) if the amount under subdivision (2) exceeds the amount under
- 7 subdivision (1), that the taxpayer may claim a refund of the excess
- 8 under IC 6-1.1-26.
- 9 (b) If, upon receipt of the abstract referred to in section 6 of this
- 10 chapter, the county treasurer determines that it is possible to complete
- 11 the:
- 12 (1) preparation; and
- 13 (2) mailing or transmittal;
- 14 of the reconciling statement at least thirty (30) days before the due date
- 15 of the second installment specified in the provisional statement, the
- 16 county treasurer may request in writing that the department of local
- 17 government finance permit the county treasurer to issue a reconciling
- 18 statement that adjusts the amount of the second installment that was
- 19 specified in the provisional statement. If the department approves the
- 20 county treasurer's request, the county treasurer shall prepare and mail
- 21 or transmit the reconciling statement at least thirty (30) days before the
- 22 due date of the second installment specified in the provisional
- 23 statement.
- 24 (c) A reconciling statement prepared under subsection (b) must
- 25 indicate:
- 26 (1) the actual property tax liability under this article on the
- 27 assessment determined for the assessment date for the property
- 28 for which the reconciling statement is issued;
- 29 (2) the total amount of the first installment paid under the
- 30 provisional statement for the property for which the reconciling
- 31 statement is issued;
- 32 (3) if the amount under subdivision (1) exceeds the amount under
- 33 subdivision (2), the adjusted amount of the second installment
- 34 that is payable by the taxpayer:
- 35 (A) as a final reconciliation of the tax liability; and
- 36 (B) not later than:
- 37 (i) November 10; or
- 38 (ii) if the county treasurer requests in writing that the

1 commissioner designate a later date, the date designated by
2 the commissioner; and

3 (4) if the amount under subdivision (2) exceeds the amount under
4 subdivision (1), that the taxpayer may claim a refund of the excess
5 under IC 6-1.1-26.

6 SECTION 2. IC 6-1.1-22.5-18, AS AMENDED BY P.L.219-2007,
7 SECTION 68, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
8 UPON PASSAGE]: Sec. 18. For purposes of IC 6-1.1-24-1(a)(1):

9 (1) the first installment on a provisional statement is considered
10 to be the taxpayer's spring installment of property taxes;

11 (2) except as provided in subdivision (3) **or section 18.5 of this**
12 **chapter**, payment on a reconciling statement is considered to be
13 due before the due date of the first installment of property taxes
14 payable in the following year; and

15 (3) payment on a reconciling statement described in section 12(b)
16 of this chapter is considered to be the taxpayer's fall installment
17 of property taxes.

18 SECTION 3. IC 6-1.1-22.5-18.5 IS ADDED TO THE INDIANA
19 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
20 [EFFECTIVE UPON PASSAGE]: **Sec. 18.5. (a) A county council**
21 **may adopt an ordinance to allow a taxpayer to make installment**
22 **payments under this section of a tax payment due under a**
23 **reconciling statement issued under this chapter or any other**
24 **provision.**

25 **(b) An ordinance adopted under this section must specify:**

26 **(1) the reconciling statement to which the ordinance applies;**
27 **and**

28 **(2) the installment due dates for taxpayers that choose to**
29 **make installment payments.**

30 **(c) An ordinance adopted under this section must give taxpayers**
31 **in the county the option of:**

32 **(1) making a single payment of the tax payment due under the**
33 **reconciling statement on the date specified in the reconciling**
34 **statement; or**

35 **(2) paying installments of the tax payment due under the**
36 **reconciling statement over the installment period specified in**
37 **the ordinance.**

38 **(d) If the total amount due on an installment date under this**

section is not completely paid on or before that installment date, the amount unpaid is considered delinquent and a penalty is added to the unpaid amount. The penalty is equal to an amount determined as follows:

(1) If:

(A) the delinquent amount of real property taxes is completely paid on or before the date thirty (30) days after the installment date; and

(B) the taxpayer is not liable for delinquent property taxes first due and payable in a previous year for the same parcel;

the amount of the penalty is equal to five percent (5%) of the delinquent amount.

(2) If:

(A) the delinquent amount of personal property taxes is completely paid on or before the date thirty (30) days after the installment date; and

(B) the taxpayer is not liable for delinquent property taxes first due and payable in a previous year for a personal property tax return for property in the same taxing district;

the amount of the penalty is equal to five percent (5%) of the delinquent amount.

(3) If subdivision (1) or (2) does not apply, the amount of the penalty is equal to ten percent (10%) of the delinquent amount.

(e) An additional penalty equal to ten percent (10%) of any taxes due on an installment date that remain unpaid shall be added on the day immediately following the date of the final installment payment.

(f) The penalties under this section are imposed on only the principal amount of the delinquent taxes.

(g) Notwithstanding any other provision, an ordinance adopted under this section may apply to the payment of amounts due under any reconciling statements issued by a county.

(h) Approval by the department of local government finance is not required for the adoption of an ordinance under this section."

Page 1, line 1, delete "P.L.234-2007, SECTION 300," and insert

1 "P.L.1-2008, SECTION 5,".

2 Page 1, line 3, delete "300." and insert "5.".

3 Page 1, line 10, delete "(g)," and insert "**(h)**,".

4 Page 2, line 4, delete "At" and insert "**Except as provided in**

5 **subsection (i), at**".

6 Page 2, line 24, delete "The" and insert "A county legislative body

7 may adopt an ordinance providing that the".

8 Page 2, line 25, delete "(g)" and insert "**(h)**".

9 Page 2, line 26, before "The" begin a new paragraph and insert:

10 "(e)".

11 Page 2, line 37, delete "(e)" and insert "(f)".

12 Page 3, line 9, delete "(f)" and insert "(g)".

13 Page 3, line 13, delete "(g)" and insert "**(h)**".

14 Page 3, line 37, delete "(e)" and insert "**(f)**".

15 Page 3, between lines 40 and 41, begin a new paragraph and insert:

16 "**(i) This subsection applies only to a county:**

17 **(1) that, after December 31, 2007, issues bills or revised bills**

18 **for property taxes first due and payable in 2007 or issues a**

19 **reconciling statement for property taxes first due and payable**

20 **in 2007; and**

21 **(2) in which the percentage increase in taxes billed exceeds**

22 **thirty percent (30%) for more than one-half (1/2) of the**

23 **homesteads in the county.**

24 **As used in this subsection, "increase in taxes billed" means the**

25 **difference between the property taxes payable in 2007 and the**

26 **property taxes payable in 2006 that are billed to a taxpayer, after**

27 **application of the property tax replacement credit, the state**

28 **homestead credit, and a local homestead tax credit, if any, and**

29 **after excluding any increase in taxes billed that results from the**

30 **new construction of a homestead on the taxpayer's property. As**

31 **used in this subsection, "percentage increase in taxes billed" means**

32 **the increase (expressed as a percentage) in taxes billed divided by**

33 **the property taxes payable in 2006. Notwithstanding subsection (c),**

34 **the county auditor of a county subject to this subsection shall**

35 **determine under this subsection the amount of the additional 2007**

36 **homestead credit (payable as a refund) due to eligible taxpayers in**

37 **the county. A taxpayer in a county subject to this subsection is**

38 **eligible to receive an additional 2007 homestead credit (payable as**

1 a refund) under this SECTION if the percentage increase in taxes
 2 billed to the taxpayer is at least ten percent (10%). The amount of
 3 the additional 2007 homestead credit (payable as a refund) for an
 4 eligible taxpayer is equal to the greater of the amount required to
 5 reduce the percentage increase in taxes billed to thirty-five percent
 6 (35%) or the amount required to provide a twenty percent (20%)
 7 reduction in the increase in taxes billed (the product of the increase
 8 in taxes billed multiplied by twenty percent (20%)), except that this
 9 reduction may not reduce the percentage increase in taxes billed
 10 below ten percent (10%).".

11 Page 3, line 41, delete "(g) (h)" and insert "~~(h)~~ (j)".

12 Renumber all SECTIONS consecutively.

(Reference is to SB 21 as introduced.)

and when so amended that said bill do pass.

Committee Vote: Yeas 11, Nays 1.

Kenley

Chairperson